(2) PANEL OF CHAIRMEN

MR. SPEAKER : I nominate the following hon. Members to be the Panel of Chairmen for the current session :—

Srimathi Hemalatha Devi.

Sri T. Karia Gounder.

Sri A. V. P. Periavalaguruva Reddi.

Sri P. S. Santhanam.

Sri K. R. Nallasivam.

Sri T. S. Ramaswamy.

VI.—PRESENTATION OF STATEMENT OF DEMANDS FOR GRANTS FOR EXCESS EXPENDITURE IN 1956-57.

THE HON. SRI C. SUBRAMANIAM : Sir, I rise to present the statement of Demands for Grants for Excess Expenditure in the year 1956–57. The appropriations originally provided for in the Budget Estimates cannot in the nature of things be expected to tally entirely with the actuals, and excesses under some grants are inevitable. The total of the excesses of expenditure under voted grants which is now sought to be covered by legislative approval is Rs. 238 lakhs roundly against a total final appropriation of rupees 17,712 lakhs. The explanatory note and the annexure appended to the statement of demands give in full the reasons for the excess in each case. The Public Accounts Committee constituted for the year 1958–59 at its meetings held during the course of the year examined the reasons for the excesses and have recommended in their Report published in April 1959 that demands for grants to cover the excess expenditure over the final sanctioned appropriation under each grant might be presented to the Legislature.

Sir, I commend for the acceptance of the House the statement of Demands for grants for excess expenditure in the year 1956–57.

VII. PRESENTATION OF SECOND SUPPLEMENTARY STATEMENT OF EXPENDITURE FOR 1959-60.

THE HON. SRI C. SUBRAMANIAM : Sir, I rise to present the Second Supplementary Statement of Demand for Grant for further expenditure for 1959–60. The detailed explanatory statement of demand for grant is placed on the table of the House.

As Members are aware, this Government have undertaken a substantial programme of expansion of co-operative credit during the period of the Second Plan. Already over 90 per cent of the villages in the State and 40 per cent of the rural population have been covered by co-operatives which are supplying well over Rs. 16 crores of agricultural credit. The State Co-operative Bank and the Sentral Banks have been experiencing difficulties arising out of lack of borrowing power necessary to implement such a substantial programme of credit expansion. To strengthen the share capital

of the Co-operative financing institutions, the Government have participated in their share capital to the tune of Rs. 46 lakhs by obtaining loans from the National Agricultural Credit (Long-term Operations Fund) of the Reserve Bank of India. This year, the State Co-operative Bank and the District Central Banks have applied to this Government for share-capital investment to the tune of Rs. 120 lakhs. Having regard to the additional borrowing power needed for financing the credit expansion programme undertaken by this Government, the State Government have applied to the Reserve Bank of India for a loan of Rs. 120 lakhs for the purpose of participation in the share capital. The Reserve Bank of India has sanctioned this amount. It is proposed to utilise this in the following manner :

(1) *Rs.* 40 *lakhs* :

Rupees 25 lakhs out of Rs. 40 lakhs would be utilised to purchase share capital held by State Co-operative Bank in the Central Banks. The remaining Rs. 15 lakhs will be invested as fresh shares in the State Co-operative Bank. Once the transaction is put through, the State Government would hold shares worth Rs. 61 lakhs in the State Co-operative Bank.

(2) *Rs.* 80 *lakhs* :

Rupees 8 lakhs out of this amount will be utilised to purchase shares worth Rs. 8 lakhs held by the Central Banks in 80 large-sized banks. The remaining Rs. 72 lakhs will be invested as fresh share capital in the Central Co-operative Banks.

There is no provision in the budget to accommodate the expenditure to be incurred in this regard during 1959–60. Out of the total amount of Rs. 150 lakhs in the Contingency Fund, advances to the extent of Rs. 35 lakhs have so far been sanctioned for ' New Services ' leaving a balance of only Rs. 115 lakhs. It will not, therefore, be possible to sanction an advance of Rs. 120 lakhs for this scheme from the Contingency Fund. Hence this Supplementary Estimate.

With these few words, Sir, I commend the Supplementary Estimate for favour of acceptance by the House.

VIII.—POINT OF ORDER *RE* TRANSACTION OF OTHER BUSINESS AFTER THE GOVERNOR'S ADDRESS AND BEFORE THE DISCUSSION THEREON.

SRI M. KALYANASUNDARAM : On a point of order, Sir. I am sorry I came a few minutes late. The debate on the Governor's address must have precedence over any other subject and this subject, viz. statement of demands for grants for excess expenditure in 1956–57 and second supplementary statement of expenditure for 1959–60, is not so urgent as to be included in to-day's agenda and that too before the discussion on the Governor's address has begun. The debate on Governor's address should have precedence and this subject could have waited.